

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOARD OF DIRECTORS
September 20, 2001

Pursuant to the call of the Chairman, the Tennessee Housing Development Agency Board of Directors met on Thursday, September 20, 2001, at 2:30 P.M. in at the Morgan Keegan offices in Memphis, Tennessee.

The following members were present: Jay Ballard, William Bruce, Riley Darnell, Leigh Ferguson, Carolyn Flagg, David Hayes, Harold Hunter, Bill Long, Mary Margaret Collier for John Morgan, Peter Abernathy for Warren Neel, Jeff Reynolds, Jerry Sisson, and Calestine Williams.

The following members were absent: Steve Adams, Sam Bartholomew, Susan Brown, Mark Cunningham, Ronnie Knight, and Larry Rogers.

Chairman David Hayes opened the meeting for public comment. No one asked to address the Board. Next, Chairman Hayes declared a quorum was present and called the meeting to order. Upon motion by Mr. Bruce, seconded by Mr. Reynolds, the minutes of the July 19, 2001, meeting were approved as distributed.

The first item on the agenda was the review of the Monthly Board Report. Janice Myrick, Executive Director, stated there were two reports in addition to the Monthly Board Report. One of the reports, prepared by Lorrie Shearon, Director of Research, Planning & Technical Services, provides the county level homeownership rates based on the 2000 Census. She said the other report provides the THDA Mortgage Program Statistics for Fiscal Year 2000-2001. One of the statistics which caused concern was that 28 counties do not have THDA loans. Ms. Myrick said she and Ted Fellman would work on how to address these counties and she already mentioned to Martin Edwards that a delivery system with realtors might be an area to explore.

Mr. Reed stated that, even though the different Committees met and voted separately, essentially the discussion of the different Committee items was conducted with the Board as a whole in attendance and participating in the discussions. He thought it would be appropriate, without objection, for the Board to take action to authorize the bond transaction and to approve the various actions of the respective Committees, thereby dispensing with the business of the Board.

Upon motion by Mr. Reed, seconded by Ms. Collier, the Board of Directors adopted the Issue 2001-3 Board resolution, as recommended by the Bond Finance Committee, and delegated authority to the Bond Finance Committee to finalize details of the transaction.

Upon motion by Mr. Reed, seconded by Mr. Bruce, the Board of Directors approved the following actions as recommended by the Audit & Budget Committee, the Bond Finance Committee, and the Policy & Programs Committee:

1. Approve the FY 2002-2003 Agency budget (with Mr. Abernathy abstaining);
2. Accept the report on Board and staff disclosures to be incorporated in the minutes of the Board;
3. Approve the use of VA and USDA/RD insurance and guarantee for Great Start loans; and
4. Approved the language in the addendum for the Low Income Housing Tax Credit 2001 Qualified Allocation Plan to give first consideration to applications which meet the county cap criteria and if all tax credits are not allocated, then the per county limit will be removed.

Mr. Reed stated John Lamar's participation and contribution was recognized at the last Board meeting. He said he thought a more formal recognition would be appropriate. Upon motion by Mr. Reed, seconded by Mr. Reynolds, the Board requested that a formal letter of appreciation or a certificate of appreciation be prepared to recognize Mr. Lamar's contribution to the Agency.

Ms. Myrick stated the Bicentennial Neighborhood Initiative (BNI) has been nominated for the HUD Secretary's Opportunity and Empowerment Award as part of the American Planning Association (APA) 2002 National Awards for Planning. She said judging will take place in October 2001 but the presentation would not take place until the APA national conference in April 2002. Mr. Reed said it is an honor for the BNI program to be nominated because it is recognition by a professional group outside of the housing industry.

Mr. Bruce asked what would happen to unused volume cap in the 2001 Multifamily Bond Allocation. Ms. Myrick stated the unused resources in the multifamily allocation rolls into the single family allocation. Mr. Bruce stated he would like to preserve the money for multifamily purposes. Phyllis Vaughn, Director of Multifamily and Special Programs, said the Board could take action to do that but she has been told by people who issue the bonds that there is not enough time to structure a deal and issue bonds before the December 31, 2001, deadline. Mr. Reynolds pointed out that the Board sets aside \$30 million each year and the entire amount has never been used. He said the Board has the authority to set aside additional funds if requests for multifamily bond allocation ever exceeds \$30 million. Mr. Ferguson said he thought there should be more discussion at the November Board meeting.

There was no further business to come before the Board and the meeting adjourned.

Respectfully submitted,

Janice L. Myrick
Executive Director

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